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ABSTRACT

This guide provides a framework for teaching consumer education to senior high and adult education classes. It may be used to develop a broad consumer economics program, to teach a single unit, or to incorporate money-managing concepts into various subject areas. Introductory materials include suggestions for adapting materials to curriculum requirements and audience needs and for motivating students. Three examples of motivational activities are provided: a word association exercise, an opinion poll, and a questionnaire. Seven money-managing concepts are covered: values and goals; income; money management; consumer-purchasing decisions; consumer credit; savings, insurance, and investments; and consumer rights and responsibilities. For each concept, this information is provided: subconcepts, instructional objectives, generalizations (complete thought-connecting concepts or key ideas), learning experiences (planned questions, activities, or projects), and a list of suggested resources. A section is then provided on evaluating, selecting, and using outside resources. A chart lists community-resource agencies and addresses, ways to use them, and outcomes desired from them. Guidelines for field trips are presented. The guide concludes with a list of sources for obtaining educational materials and a list of general references. (YLB)

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YOUR GUIDE FOR TEACHING

Money Management

Edited by

MONEY MANAGEMENT INSTITUTE

Joyce E. Bryant
Vice President—Director

Nancy H. Baran
Editor

Sharon M. Tarrant
Editor

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Introduction

Consumer education is a means of helping individuals understand and apply the process of decision making to the use of limited resources in order to satisfy needs and wants. It is based on both factual knowledge and the application of basic economic principles. To have the greatest affect, consumer education should be presented in a manner that makes the content relevant to each participant.

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Adapting Materials to Teaching Situations

Each individual achieves economic competence to the degree he or she develops the ability to 1) recognize and define personal economic values and goals; 2) earn a living; 3) manage money; 4) make sound consumer buying decisions; 5) plan the use of credit; 6) understand the purposes of savings, insurance and investments; and 7) recognize the consumers' rights and responsibilities. The purpose of this GUIDE is to help you, the teacher or leader, build a strong program in personal and family economic education in which students can develop economic competence.

ADAPTING TO CURRICULUM REQUIREMENTS

YOUR GUIDE FOR TEACHING MONEY MANAGEMENT can be used to develop a broad consumer economics program, to teach a single unit or to incorporate money management concepts into various subject matter areas. Course work in consumer education is frequently included in home economics, personal economics, social studies, business education and mathematics. As not all students are exposed to these courses, both problems and opportunities arise as consumer education becomes mandated in the public school curriculum. The challenge? To give *all* students the foundation they need to function effectively in society and the marketplace once they leave the classroom.

One of the more effective ways to meet this challenge is through a multi-disciplinary approach. One or more courses in consumer education, team-taught by those from various disciplines, take time and effort to coordinate but offer several advantages. This approach:

- draws on the expertise of those in specific subject matter areas.
- allows students to see the interrelationships among the numerous disciplines they have been studying.
- encourages the efficient utilization of outside community resources.
- avoids duplication—the "But I've had that already" syndrome.

The organization of the multi-disciplinary consumer education course frequently centers around a business education/home economics/social studies core. Teachers of English, science, math, art, health and industrial arts may also contribute their own particular expertise and reinforce basic concepts. The following chart offers suggestions for team organization and possible course content.

BUSINESS EDUCATION	HOME ECONOMICS	SOCIAL STUDIES
business' role in our economic system	values	consumer rights and responsibilities
business' rights and responsibilities	goal setting	consumer law
business' efforts to aid consumers	decision making	consumer protection
warranties	decision implementation	issues in the marketplace
advertising	developing resources	energy and environmental issues
banking	financial planning	social programs
insurance	evaluating quality	national consumer movement
investments	developing buying skills (food, clothing, shelter, furnishings, car, etc.)	government's role in our economic system
taxes	consumers' role in our economic system	federal agencies
credit availability and use	consumer information	cost/benefit trade-offs
contracts	family life cycle	government regulation
employee benefits	energy in the home	comparative social/economic systems
financial recordkeeping	use and care information	

ENGLISH	SCIENCE	MATHEMATICS
content of ads, consumer publications and labels	fabric analysis for content and flammability	metrics
business letters	product testing	computations related to credit charges, savings, investments and taxes
consumer economic terms	effects of consumer products and practices on the environment	calculating costs per unit, sales tax and discounts
values, goals and career decisions in novels and biographies	nutritional studies	percentages
dramatic presentations related to consumer problems and issues	food production	
newspaper articles		
debates on consumer issues		

ART	HEALTH	INDUSTRIAL ARTS
product design	good health practices	evaluating and purchasing appliances and furniture
aesthetic qualities of clothing and home furnishings	purchasing health products and services	caring for large and small appliances
interior design	community/government health programs	repair services
advertising	health, accident and disability insurance	home maintenance
	health quackery schemes	car care and servicing

ADAPTING TO AUDIENCE NEEDS

To use the GUIDE effectively, select the ideas, suggestions and projects that are best suited to the needs and interests, experience and understanding, age and ability level of your group. Following are suggestions to help you adapt the material to your teaching situation.

In working with elementary school students, be sure to relate the material to their environment. When you do, even very young children can begin to understand basic economic concepts. By the time they are in school, most youngsters have had some experience in using money. If you work with grade school children, use the following ideas to adapt the GUIDE to the needs of your classes.

- Draw on the child's experiences in the home, school and community.
- Use language which children understand to explain new words and phrases.
- Permit children to see and experience some economic aspects of living by providing planned activities—a field trip to a bank or store, or setting up a small business in the classroom, for example.
- Work economic concepts into the curriculum where they fit logically, and make an effort to point out their relationship to different subject matter areas: language, math, science, social studies, art.
- Dramatize and visualize economic concepts when possible, through stories, role playing, movies, posters and pictures.

In working with beginners or those of limited ability, you may wish to rephrase questions and problems in language with which they are familiar. Aim toward developing simple concepts and generalizations. Select easy questions and learning experiences, moving slowly from the specific to the general. It may be effective to repeat important information several times. Use simple terms that are easy to understand, and emphasize the personal and family aspects of money management. Illustrate with examples from real-life situations. Present the material in a visual form when possible and select projects to suit the ability and attention span of the participants.

In working with low income groups, try to meet them on their own ground and in familiar surroundings. Begin the course with a subject of real interest that is uniquely relevant to their needs and concerns. Make each person feel that he has something important to contribute. Do not patronize or inflict your own values on your students. Proceed tactfully and with understanding. Remember that some people, feeling they haven't enough money to manage, resist the study of personal economics. Create opportunities to apply new knowledge—to use and show what has been learned. Let individuals and the group know when they make progress. Above all, be generous with patience, understanding and encouragement.

In working with groups of intermediate or average ability, you may be able to use many of the ideas in the GUIDE with little revision. Use the questionnaire on page 8 to find out what your students can handle. Select material that fits their particular needs and interests. Use learning experiences which lead them to form concepts and generalizations relating to aspects of money management.

In working with advanced or accelerated groups, use the more challenging and difficult activities and projects to make the study more stimulating. Promote discussion and encourage individual expression. Select learning experiences that lead students to form concepts and generalizations independently, that apply to personal economics at the individual and family level, and that concern economic policy at the community and national levels. Advanced groups can handle activities and projects which require outside research study and problem solving. Have students compile a bibliography on money management and develop case studies for classroom discussion.

In working with club groups your teaching program will be more informal and activity centered. A verbal and visual approach is more effective than an academic-type program. With current emphasis on consumer concerns, many club groups are studying personal and family finance. Many of the ideas in the GUIDE can apply to an adult situation—particularly the projects following each major concept and the suggestions for using community resources.

In working with adult education programs, success depends on meaningful subject matter, mutual respect between teacher and students, cooperative planning, an emphasis on individual needs and student participation. Generally speaking, adults need and want practical information and skills they can use in daily life. Very often they will have experiences to share that will enrich learning for the entire class. ■

Motivation in Money Management

The successful teacher or leader is often a master motivator —making classes stimulating for both students and teacher. Motivation should be high when an enthusiastic teacher relates the subject matter to the students' experiences in a comfortable atmosphere. Through discussion, activities and projects, students can discover how they feel about money, evaluate their ability to handle financial matters, and develop problem-solving techniques and strategies which will be useful throughout their lives as consumers. Following are several suggestions you may use to add interest to your classes or group meetings.

- **Word association** can involve students, help you discover their attitudes and feelings about economic matters, and serve as a tool for value clarification.
- **Opinion polls** offer students an opportunity to express themselves, provide a basis for discussion, debate and research, and aid in value clarification.
- **Questionnaires** can aid both students and teacher in discovering what students do and do not know about consumer economics.
- **Discussion questions** directed to the interests of your group can start active participation.
- **Case studies and problem situations**, when similar to real-life situations, involve students in finding solutions. Use a few leading questions to stimulate thinking. Look for situations in magazines, newspapers, on TV or radio, and in textbooks, or assign students to create or share problem situations. Experiences of students and their families may be particularly relevant.
- **Individual activities** offer an opportunity for each student to do what he finds most challenging. Once assignments are completed, find ways for each person to share his learning with the class.
- **Guest speakers** can present a new point of view or a familiar one in a meaningful manner. The charts on pages 29-31 offer suggestions for guest speakers.
- **Field trips** allow students to see how the "real world" operates and make classroom material come alive.
- **Games or simulation experiences** encourage learning through participation.
- **Surveys** can be used to identify specific money management problems, behavior patterns and spending choices that individuals have in the community.
- **Television programs, movies, radio, magazines, newspapers** may be used as sources for case studies or as a means of studying advertising.

Other motivators include group projects, role playing, skits and interviews.

WORD ASSOCIATION

Association with key words can be used to discover individual and group attitudes about economic matters. Ask each student to write down the first word that comes to mind in connection with any of the following terms. You may want to use only ten or twelve terms at a time. Follow up with group discussion to allow learners to express and exchange ideas.

values
goals
budget
thrift
needs
wants
price
money
cash
unemployment
sale
savings
business
economical
security
profit
shoplifting
inflation
recession
energy
stingy
consumer
rip-off
exclusive
quality
penny pincher
bargain
credit
income
employment
spendthrift
cheap
spending plan
advertising
house brand
buying guide
social security
credit rating
union

OPINION POLLS

Statements requiring opinions can be an effective way to discover understandings and attitudes about money. They may also lead to stimulating discussions. Consider the following.

	Agree	Disagree	Undecided
1. Clearly defined goals contribute to wise spending.			
2. A large income is essential to security and happiness.			
3. The power of choice is present with incomes of all sizes.			
4. Budgets take the fun out of spending.			
5. Needs and wants are the same thing.			
6. Families with high incomes do not need to manage money.			
7. Parents should tell a child how to spend money.			
8. Family members should decide together how income will be used.			
9. High price means top quality.			
10. The availability of energy is related to the cost of foods and services.			
11. Advertising is an important source of buying information.			
12. Impulse buying is a good way to get the goods and services you really want.			
13. A sound credit rating is a valuable financial asset.			
14. Credit can help families raise their level of living.			
15. Teenagers should have their own charge accounts.			
16. Investing in the stock market is the best way to provide financial security.			
17. Government services are free.			
18. Our system of mass production offers advantages to individuals and families.			
19. Government protects consumer rights.			
20. Consumers play only a minor part in the success or failure of our economy.			

QUESTIONNAIRES

Questionnaires are an effective way to establish what students know or need to know about managing money. They can provide clues to consumer behavior, and in turn serve as guidelines for teaching. The following questions can be revised to meet the needs, interests and maturity level of the participants.

	Yes	No	Sometimes
1. Do you write down your goals?			
2. Do you know how your values and goals influence spending?			
3. Do you keep a record of your spending to learn more about your actual spending habits?			
4. Do you have a savings fund?			
5. Can you list some of the goals you hope to reach within the next year?			
6. Do you balance spending with income?			
7. Can you adjust your spending plan to meet unexpected situations?			
8. Do you keep the items you own in good condition?			
9. Do you and your family work together in planning the use of family income?			
10. Do you know approximately how much your family spends on you each year?			
11. Do you recognize the needs of others in your family?			
12. Do you use a shopping list to guide spending and avoid "impulse buying"?			
13. Do you know where to find information on goods and services?			
14. Do you read labels, tags and seals attached to products and keep them handy for reference?			
15. Do you know when a bargain is a bargain for you?			
16. Do you compare prices and quality of different items before you buy?			
17. Do you consider wise use of time and energy (human and nonhuman) as well as money when you shop?			
18. Is your shopping manner courteous and businesslike?			
19. Do you find out the cost of credit before you use it?			
20. Do you know what responsibilities you assume in using consumer credit?			
21. Do you pay bills promptly?			
22. Do you ever read the financial sections in newspapers?			
23. Do you know how tax money is used?			
24. Do you know how consumer decisions affect business and the economy?			
25. Do you know your consumer rights and responsibilities?			

Money Management Concepts

In order to build a framework of consumer economic concepts which will apply to personal financial matters today and in the future, it is necessary to:

- determine what understandings and abilities are essential to economic competence;
- organize these understandings and abilities into basic concepts and generalizations; and
- select learning experiences to develop each concept.

Although the concept approach to teaching is not new, confusion still exists concerning the meaning and use of concepts, instructional objectives and generalizations. The following definitions may help to clarify these terms as used in the GUIDE.

A **concept** is the meaning an individual attaches to a word, phrase or object. In the teaching situation, concepts refer to "key ideas" under which subject matter can be organized and taught. The ability to identify and form a concept helps learners to organize facts and knowledge and to apply learning to new situations.

A **subconcept** refers to an idea to which a learner can attach meaning that relates to concepts or key ideas.

An **instructional objective** refers to a statement of general learning outcomes to be expected of students as a result of instruction in a given subject area. Instructional objectives provide a sense of direction and purpose for the teacher and the student.

A **generalization** is a complete thought connecting concepts or key ideas. It expresses a basic truth, applies to a variety of situations, and usually shows relationship between concepts.

A **learning experience** is a planned question, activity or project that is designed to help learners identify concepts and develop generalizations. Learning experiences will vary with the ability and background of learners and the subject area being taught.

As teacher or leader, you can help learners conceptualize and generalize by:

- teaching from a framework of key ideas and generalizations.
- planning a variety of learning experiences designed to help learners identify key ideas, create relationships and apply learning to themselves and the world in which they live.
- developing teaching methods and learning experiences most suited to the interests, abilities and backgrounds of the group.
- providing opportunities for applying and testing concepts.
- introducing learners to sources of information for immediate and future use.

Suggested resources related to individual concepts are included with the material dealing with each concept. **General references** for the student and for the teacher begin on page 36. Prices, where listed, are subject to change. Some of the reference material may already be a part of your personal, school or local library. For additional references, consult the *Readers' Guide to Periodical Literature* and the *Education Index*.

When individuals, through experience and study, develop the ability to identify important concepts and form generalizations, they are more likely to transfer learning to real-life situations. They are then prepared for the questions and problems of tomorrow as well as those of today.

CONCEPT 1

VALUES AND GOALS

SUBCONCEPTS

value hierarchy
value conflict
goal setting
value clarification
rank-order preferences
decision making
decision implementing
resources
beliefs
attitudes
choice
human capital

INSTRUCTIONAL OBJECTIVES

- Identifies personal values and related goals.
- Understands how values and goals influence decision making and the use of limited resources.
- Applies knowledge of values and goals to personal financial planning and decisions within the marketplace.
- Analyzes personal value and goal hierarchy in most decision situations.
- Develops a plan of action for reaching short-term, intermediate and long-term goals.
- Evaluates personal economic behavior in light of expressed values and goals.

GENERALIZATIONS

- Values are the ideals and principles by which we live.
- Values grow out of learning and experiences in the home, school, church and community.
- Values are influenced by the availability of resources.
- Goals are specific aims and objectives which reflect a set of values.
- Values and goals differ for each individual and family.
- Values and goals shape the decisions we make.
- Values are rank ordered.
- The way values are rank ordered may differ with each decision situation.
- Value conflict involves the valuing of two things which are incompatible, such as respecting law and order while supporting someone's involvement in illegal actions.
- Values and goals influence the way income is earned and used.
- Cooperation of family members contributes to establishing and reaching family goals.
- Goals change with different stages of the life cycle, with unforeseen events, with new experiences and with additional information.
- Values and goals affect and are affected by community and national values and goals.

LEARNING EXPERIENCES

1. Determine what values and goals are. Think about your own, write them down, and analyze whether you wish to retain them ...their relative importance to you...what your chances are of realizing them...why you chose them.
   - Who are you? Where are you going? What do you want from life? What do your answers have to do with values?
   - What are values? How are values formed? Give examples.
   - What are goals? How are goals related to values?
   - How are personal and family goals established?
   - Have your values and goals changed in the last three years?
   - How do your values affect your family life, education, work, choice of a career, friendships, use of money, plans for marriage?
2. List four short-term, intermediate and long-term goals. Evaluate the obstacles and opportunities you may encounter in your efforts to reach them.
   - What is the difference between a value and a goal? Can a value ever be a goal?
   - How do your goals reflect the values you hold?
3. Develop a plan for reaching three of your most important goals.
   - What resources are needed to meet your goals? How can these resources be developed or obtained?
   - What circumstances may cause you to change or modify your goals?
   - Must you reach your first goal before your second one can be met? When might this be the case?
4. Compare the values and goals expressed in a novel, movie, TV program or Top-Ten recording with those of your family and friends.
   - How are they different? How are they similar?
   - Which values seem to have the most influence on your actions today?
   - How and why are your values and goals different from those of your friends?
   - How do you resolve conflicts in values and goals that might arise between family and peers?
5. Show how five items you have purchased recently relate to your values and goals.
   - How do values affect the way income is spent?
   - When have your spending choices failed to reflect your values or been in conflict with your values?

6. Collect clippings from magazines or newspapers which reflect your values and what you hope to achieve.

- How are values expressed in the home you live in, the money you spend, your car, the activities you enjoy, the interests you pursue, the clothes you wear, your friends?
- Is there a predominant theme in the clippings you chose? In other words, health, friends, family, material comforts, beauty, church, education, etc.?
- How and why did you come to hold these values and goals?

7. Discuss how values might be expressed in different situations: driving a car, taking care of a child or senior citizen, shopping in a crowded store, waiting for a bus, working in a store, doing volunteer work.

- How are your values reflected in the way you act?
- What does the expression, "Do as I say, not as I do," have to do with values and behavior?
- What are some ways behavior conflicts with values we normally claim?
- How do values and goals affect your behavior at home, at school, at work, with friends, in public?

8. Read about the life of a public figure you admire. Report on the values and goals that influenced, positively or negatively, the individual's life.

- Who had the greatest influence on this individual's value formation?
- When did the individual set the goal which led to his or her "greatness"?
- Were the goal or goals set consciously or unconsciously?
- How were the feelings, attitudes and values expressed by the individual consistent with his or her behavior? What inconsistencies did you find?

9. Analyze case studies, comparing goals typical of different stages of the life cycle: as students, single adults, newly married couples, beginning families, growing families, retired couples.

- How might the scenarios change if death of a spouse or divorce takes place?
- What value conflicts might occur for a single-parent family (i.e., the need to work *vs.* nurturing a child in the home)?

10. Dramatize the following through role-playing: a family setting goals for spending ...an engaged couple establishing goals for married life...a family deciding which of several goals will have top priority.

- Is it important for family members to agree on values and cooperate in setting goals? Why or why not?
- What are some subtle, rather than direct, ways families formulate goals?
- How much input should children have in setting family goals?

11. Debate: A family's level of living is chiefly determined by size of income *vs.* A family's level of living is chiefly determined by values and goals.

- What is "level of living"? How does it differ from one's "standard of living"?
- How is the power of choice related to size of income?
- How do values affect the way income is spent?

12. Select a career that appeals to you and show how your choice expresses your values.

- Is your career choice a goal or a means of reaching a goal?
- What steps can be taken to reach a career goal?

13. List areas in which people's values often differ (social, political, moral, intellectual, economic). Discuss some differences and reasons for them.

- Is it "good" that people hold different values? How would our society differ if everyone's values were alike?
- How do the values of your community and country affect you personally?
- How do values and goals affect the way people adjust to society?
- How are different values influenced by the home, school, community, mass media and church?
- How do values and goals influence the way people feel about family life, friendship, responsibility, government, education, religion, work, leisure, marriage, parenthood?

14. Ask committees to investigate and report on one of the following:

- Values and goals in America—yesterday, today, tomorrow
- The values of each citizen are the backbone of the nation
- Values in the United States and Canada compared with values in Europe, Russia, Japan, India, Africa, South America or any other area of the world
- Value comparisons of the rich, middle class and poor

15. Compare the primary goals of our economic system to the financial goals of individuals and families.

- What are the similarities? The differences?
- Do other economic systems (socialist, communist, etc.) have different goals? What are they? How does the government in each case meet these goals?
- How are an individual's values and goals reflected in our political and economic systems? How do public policy decisions shape our values and goals?
- Give an example of value conflict on a public policy level (for example, expanding social services *vs.* cutting government spending).

SUGGESTED RESOURCES

Deacon, Ruth E. and Firebaugh, Francile M. *Home Management: Context and Concepts.* Rockleigh, New Jersey: Allyn and Bacon, 1981. $18.95. Uses a systems approach to discuss individuals and families in a complex of environments. Teacher resource. Extensive bibliography.

Forum. J.C. Penney Company, Inc., Consumer Educational Services, 1301 Avenue of the Americas, New York, New York 10019. Back issues ordered from above address, $2.50 each.

Creative Decision Making. Fall/Winter 1973. Exercises in developing and applying creative thinking.

Value Clarification. Spring/Summer 1972. Discusses value conflict, consumer decisions and universal values, as well as value clarification.

Gross, Irma H.; Crandall, Elizabeth W.; and Knoll, Marjorie M. *Management for Modern Families.* Englewood Cliffs, New Jersey: Prentice-Hall, Inc., 1980. $16.95. Takes a systems approach to the management process and then focuses on the management of resources—particularly time and money. Teacher resource.

Paolucci, Beatrice; Faiola, Theodora; Thompson, Patricia; and Kiser, Janet. *Personal Perspectives: A Guide to Decision Making.* New York: McGraw-Hill, Inc., 1978. $15.96. A student text which focuses on management and decision making in a complex world. Includes discussion questions, activities, case studies and career profiles in sections on food, clothing, housing and personal living.

Your Financial Plan. Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. 50¢. Presents a personalized, easy-to-read plan for managing income to meet goals.

Simon, Sidney; Howe, Leland; and Kirschenbaum, Howard. *Values Clarification.* New York: A. & W. Publishers, Inc., 1979. Provides 79 specific strategies to help students identify and clarify their values. Adaptable to most age and experience levels.

CONCEPT 2

INCOME

SUBCONCEPTS

psychic income
nonmoney income
goods and services
employment
unemployment
gross income
net income
minimum wage
withholding
productivity
inflation
standard of living
taxes
investments
transfer payments
supply
demand
recession
free enterprise

INSTRUCTIONAL OBJECTIVES

- Identifies private and government sources of information on career choices and employment trends.
- Describes the relationship between education, employment, income and standard of living.
- Predicts how changes within the economy will affect employment and consumer spending.
- Analyzes one's role in a market economy as a worker, consumer and citizen.
- Develops a plan for obtaining work based on personal values, goals and abilities.
- Evaluates career opportunities on the basis of personal interests and abilities, and a realistic appraisal of the job market.

GENERALIZATIONS

- Work is usually required to produce money income.
- Money is also obtained from investments, property rental, interest on savings, pensions, insurance, inheritance and government transfer payments (social security, welfare, etc.).
- Nonmoney income includes the goods and services one produces directly for personal or family use or receives in exchange for work.
- Psychic income includes the nonmonetary rewards of work, such as personal satisfaction, enjoyment from work, and friendships.
- The true value of money depends on the amount of goods and services and accompanying satisfactions it will buy.
- Inflation reduces the value of money.
- The ability to earn money affects income and buying power.
- The choice of an occupation can be influenced by one's values, abilities, interests, goals and job opportunities.
- Education and training usually increase opportunities to work and earn.
- The supply of and demand for workers determine job opportunities and wages in a specific occupation.
- Economic conditions affect job opportunities.
- Productive workers not only earn income, but also contribute to the productivity of society.

LEARNING EXPERIENCES

1. Analyze the values you hold which concern money or income.
   - What is money? What does money represent to you?
   - How is money used? Is it always confined to purchasing goods and services? Explain.
   - What is income? Is income always money?
   - What are some of the "good things in life" money cannot buy?
2. Show several ways to save money income by producing goods and services for personal use rather than buying them.
   - What goods and services are typically produced by individuals and families and which are usually purchased?
   - What resources other than money are utilized when you produce goods and services?
   - Do resources such as time, energy and materials cost money? What are they worth to you?
   - What goods and services are available without spending money?
3. Investigate and report on ways to earn money while in school or during summer vacation.
   - What factors should be considered if you work during the school year?
   - What are the pros and cons of high school students earning their own spending money?
   - How might the need to earn money influence your choice of courses in high school or college?
4. Discuss how families have become more dependent on money income over the last 20 years. Interview older families for ideas.
   - Have changes in life styles made a difference in the need for money income?
   - How does the general economic environment affect the need for money income?
   - What changes within the family might make it more dependent on money?
   - How might the need for more money be met?
5. Read a biography of a person in a career you would like. Report on the qualifications, accomplishments and characteristics that made for success, and the problems faced by the individual.
   - Are the problems the individual faced comparable with those existing today? How are they different?
   - What did you learn about the individual's values concerning work and money?
   - How did the individual prepare for his or her career?

6. Describe what each individual can do to prepare for, obtain and hold a job.

- What are an individual's responsibilities for his own employment?
- How can you develop the ability to earn money?
- What does working have to do with being a self-supporting, productive member of society?

7. Investigate three careers that interest you. Consider the advantages and disadvantages of each, the education or training required, responsibilities, salary range, advancement potential and state of the job market in each area. Write to private and public sources for career information.

- How is your choice of a career influenced by your values, abilities, interests and goals?
- What steps would you follow in preparing for a career in the three areas you chose?
- What resources are available to aid in the selection of a career in a particular field or with a certain company?
- What factors would influence you in choosing a particular career? List them in order of importance.
- Do federal, state or provincial laws (professional licensing, union requirements, minimum wage) affect employment in the fields you are investigating? How?
- What part-time jobs (paid or volunteer) are available which could provide practical experience in the careers you chose?

8. Develop a resume and write a cover letter for a job in which you are interested. Role play an interview to obtain the job.

- What should be included in a resume? In a cover letter?
- Why is a cover letter necessary if you have a good resume?
- What is proper dress and conduct for a job interview? Give tips for a successful interview.
- According to the Equal Employment Opportunity Commission in the U.S. or the Human Rights Commission in Canada, which questions can an interviewer legally ask pertaining to age, marital status, childbearing status and career plans, and which are illegal?

9. Prepare a graph to illustrate the differences in occupation and income for non-high school graduates, high school graduates, college graduates and technical/vocational school graduates.

- Why does more education generally mean more income?
- What inferences can you make concerning education, income and job security?
- What factors affect the rate of compensation in various career areas?
- How do the income/education figures you cite differ for men and women? Minorities?
- How do federal figures compare with those for your community?
- How do overall economic conditions affect income and employment?
- How can you be "overeducated" or "overqualified"? How would this affect job opportunities?

10. List careers you might have over your lifetime.

- When might these career changes occur? What might cause these changes?
- Would such changes involve additional education? Are continuing or lifelong education programs available in your area? What topics are covered?
- Is continuing your education past high school a good investment for you at this time? In the future?

11. Discuss the following points as they relate to working wives and mothers: advantages and disadvantages... expenses of working... effect on family living... family members' attitudes... use of second income ... adjustment to single income if one member stops working.

- How might a family's level of living change with the addition or deletion of a second income? How might lifestyles change?
- Would your response to the points above change if a mother's income were the only income?
- How might income be earned within the home?
- How prevalent is the working woman in our economic system? What percentage have preschool children? Are single parents? Are not married? What impact does this have on our economic system (income, consumption, unemployment, demand for social services, etc.)?

12. Investigate and report on some ways the handicapped might work and earn money.

- How do your suggestions differ from those you would make if an individual were not handicapped?
- What special considerations might a handicapped person take into account that nonhandicapped individuals do not?
- What federal, state or provincial laws govern the hiring of the handicapped?
- What agencies encourage the hiring of the handicapped?

13. Interview a placement officer of a public and/or private employment agency. Report on their function, methods of operation and cost of the service.

- How do public and private placement services differ?
- What regulations govern placement services? Is licensing required?
- Must an applicant sign a contract before a firm will try to place him or her? What information is given in the contract (time requirements, costs, etc.)?
- What jobs are typically listed with government employment agencies?

14. Discuss unemployment and its effect on our society—economically and socially.

- Who is considered "unemployed" by the U.S. Bureau of Labor Statistics or Statistics Canada? How do they determine the unemployment rate?
- What segments of the population are more susceptible to unemployment? Why?
- How does the minimum wage affect employment?
- What state, provincial or federal aid (both monetary and other assistance) is available for the unemployed?

15. Show how unions and professional organizations affect the welfare of individual workers, the industry involved and its competitors, and the economy.

- What are the primary functions of unions and professional organizations? Have these changed over the last 30 years?
- What ways do these organizations have to demonstrate their economic power? How does this affect the individual worker, other consumers and the economy?
- How would you become a member of a union or professional organization?
- What federal regulations, if any, govern the activities of unions or professional organizations?

16. Diagram the economic relationship between the business, government and consumer sectors of our economy.

- What is your role in each economic sector?
- Trace your income as it flows through our economic system.
- What portion of your income do you receive directly (net) and what portion goes to the government in the form of such items as taxes and social security?
- How do business and government use the dollars you give them? What do you get in return?
- How might job opportunities be affected by business and government decisions?

SUGGESTED RESOURCES

The Canadian Foundation for Economic Education, 252 Bloor Street West, Fifth Floor, Toronto, Ontario M5S 1V5.

"Understanding Economics" Series. Booklet series designed to present different economic subjects to Canadian students. $2.00 each. Quantity orders available at discount.

"Government and the Economy" Series. Booklet series designed to provide teachers with background material on the levels of government involvement and responsibility in the economy. $1.00 each. Quantity orders available at discount.

Checklist. Joint Council on Economic Education, 1212 Avenue of the Americas, New York, New York 10036. Free. Annotated list of JCEE materials for teachers—curriculum guidelines, audio visuals, student projects, games, etc.

Fitzsimmons, Cleo and Williams, Flora. *The Family Economy: Nature and Management of Resources.* Order from Flora Williams, 1703 Central Street, Lafayette, Indiana 47907, 1973. $9.70. Places the family economy within the framework of our economic system, showing the reciprocal relationships which exist and how resources are acquired and utilized. Presents principles of family finance and management. Includes discussion questions, projects and suggested readings with each chapter. Teaching resource or text.

Mandell, Lewis. *Economics From the Consumer's Perspective.* Chicago: Science Research Associates, Inc., 1975. $16.95. Discusses economic principles as they relate to the family as a consuming unit. Many real-life illustrations in the areas of housing, consumer durables, debt, insurance, family planning, income and expenditures. Student resource.

Occupational Outlook Handbook, 1980-1981. $8.00. Published biennially by the Bureau of Labor Statistics. Order from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. General information on hundreds of occupations—what the work involves, training needed, working conditions, estimated earnings, future job outlook and chances for advancement. Lists sources of additonal information.

CONCEPT 3

MONEY MANAGEMENT

SUBCONCEPTS

spending plan
fixed expenses
flexible expenses
lifestyle
needs
wants
transfer payments
credit
resources
scarcity
decision making
decision implementing
opportunity cost

INSTRUCTIONAL OBJECTIVES

- Identifies economic and noneconomic resources that may be used in financial planning.
- Explains how wise money management can increase consumer satisfaction when resources are limited.
- Applies the concept of limited resources to personal financial planning.
- Analyzes factors that influence money management decisions in specific situations.
- Develops a financial plan based on current income and expenses, values and goals.
- Evaluates the plan periodically in terms of changing economic circumstances and goals.

GENERALIZATIONS

- Money management is the process of developing, following, evaluating and when necessary, revising a plan for the use of income.
- Effective money management is based on a realistic evaluation of individual and family needs, wants, values, goals and resources.
- Resources include time, energy, ability, knowledge, skills, attitudes, tools and money.
- Resources are limited while wants may be unlimited.
- The cost of one purchase eliminates the opportunity to buy other goods and services with the same money.
- Available resources can sometimes be substituted for unavailable resources.
- Combining two or more resources can sometimes increase one's effectiveness in meeting needs and wants.
- Management makes it possible to meet the most important and greatest number of needs and wants in exchange for available resources.
- Human resources may be developed.
- Cooperation of family members contributes to managing and using family resources.
- Needs, wants, goals and resources change during the life cycle.
- Periodic review and revision of a financial program is required to meet changing situations.
- Community, state and national resources are used to meet many types of individual and family needs and wants.

LEARNING EXPERIENCES

1. Describe the steps in setting up a plan for managing money.
   - What are several sources of money income?
   - What are fixed expenses? Flexible expenses? Give examples of each.
   - How and why are economic resources limited?
   - How can a spending plan help an individual or family to satisfy needs and wants and to meet goals?
   - When should a financial plan be evaluated or revised?
   - What can you gain from financial planning? What might you sacrifice?
2. Develop a weekly spending plan, based on your current income and expenses, using the MONEY TALKS student worksheet as a guide. Follow the plan for two weeks, evaluate it and make needed adjustments.
   - Which of your expenses can be classified as fixed? As flexible?
   - What present expenses would you be willing to cut down in order to save for something you really want in the future?
   - Did you include "savings" in your spending plan?
   - How can noneconomic resources be used to reduce expenses in each area?
   - Why is it important that each individual work out a spending plan?
3. Set up a spending plan with your family, using YOUR FINANCIAL PLAN as a guide. Use the plan for two months, evaluate it and make needed adjustments.
   - Should family members cooperate in planning the use of family income? Why or why not?
   - How can family members take part in planning, controlling and evaluating family spending?
   - What adjustments must be made to allow for the increasing costs of scarce resources and inflation, i.e., energy, food, housing?
   - What are some ways to handle major expenses and financial emergencies?
   - Estimate how much your family spends on you each month on such items as food, clothing, medical care, incidental expenses.
4. Explain how you would use your resources to meet a specific need or want.
   - What are resources?
   - What are noneconomic resources? Give examples.
   - How can human resources (special skills and abilities) be substituted for economic resources?
   - How can resources be used to achieve goals?

5. Discuss how the following might influence an individual or family money management plan.

- resources
- prices
- inflation
- credit
- insurance
- savings
- investments
- economic conditions
- unemployment
- taxes

6. Plan what you would do with an unexpected gift of $25, $50, $100, $500, $50,000, $1 million.

- Would you use the money differently if you had earned it? How?
- How does your plan for the money illustrate your values and goals?

7. Use role playing to dramatize: a couple planning for the costs of a first child... a couple discussing pros and cons of the wife working... a teenager discussing the purchase of a first car with parents... a family planning the care of an older parent... a single parent helping a child manage his/her allowance.

- How are resources evaluated and utilized in each case?
- How might these dramatizations change if an individual or family member were laid off from work?

8. Design a bulletin board to show how spending plans are affected by seasonal variations in clothing, food, household maintenance.

- How can individuals plan for seasonal needs or expenses which come quarterly or semiannually?
- What months of the year do the following items usually appear on sale: linens, small appliances, major appliances, home furnishings, back-to-school clothes, skis, bathing suits, china and glassware, housewares, automobiles? Do you plan expenditures around such sales?

9. Develop case studies and prepare a financial plan for each of the following: a family with an irregular income... a two-income family... a newly married couple... a single career man or woman... a college student... a retired couple.

- How do individual and family needs, wants and resources change during the life cycle?
- How can a financial plan be adjusted to meet changing needs?
- What special factors should be considered in allocating income when both husband and wife work? When income is irregular?

10. Explain the similarities and differences in financial planning for a teenager, a young adult, a family, a business, a community, a government.

- What kind of information is needed before each can plan future spending?
- Who makes the decisions in each case? Who establishes the priorities for the use of income? Might someone (or some group) have veto powers over the plan?
- How might income be earned in each example?
- How are resources allocated? How does the principle of opportunity costs provide guidelines for allocating resources?

11. Bring in or develop case studies illustrating realistic individual or family financial problems. Suggest ways they might be solved.

- Are financial problems confined to one economic group?
- How do the kinds of problems differ with the income level of the individual or family?
- Are the causes of financial difficulties similar? How do they differ?
- Does the root of the problem stem from the individual or family (i.e., overspending) or from some external force (i.e., work layoff, illness)?
- What resources are available to aid those with financial problems?

12. Conduct a survey to investigate community resources available to individuals and families. Compile a directory of local services and facilities in the consumer and financial areas.

- Does the majority of available resources involve transfer payments—funds given out by business and government when no direct services have been rendered (e.g., pensions, welfare, social security)? What must one do to receive such aid?
- How is funding obtained by the community for programs and services?
- What community resources do not involve a direct cash payment, such as libraries, parks, schools, etc.?

SUGGESTED RESOURCES

Forum. J.C. Penney Company, Inc., Consumer Educational Services, 1301 Avenue of the Americas, New York, New York 10019. Back issues ordered from above address, $2.50 each.

Consumers in a Changing Economy. Spring/Summer 1975. Discusses how inflation, monetary and fiscal policy, and various economic indicators affect consumers' money management decisions.

Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. Single copy, 50¢. Complete library of 12 booklets in slipcase, $5.00.

Your Financial Plan. Presents a personalized, easy-to-read plan for managing income.

Children and Money Management. Offers help to parents in teaching children how to manage income.

The Money Manager: Step by Step to Money Management. American Council of Life Insurance, Education and Community Services, 1850 K Street, N.W., Washington, D.C. 20006. Free. Worksheet explaining how to set up a money management plan.

Tips and Topics. College of Home Economics, P.O. Box 4170, Texas Tech University, Lubbock, Texas 79409.

Management Systems and Today's Families. Vol. XVI, No. 1 (October 1975). 50¢. Describes and defines family management in a system. Includes case studies and a game applying the systems approach.

Managing Scarce Resources. Vol. XVII, No. 2 (December 1976). 50¢. Discusses resource depletion in an ecosystem. Special focus on cost and conservation of energy resources. ●

CONCEPT 4

CONSUMER PURCHASING DECISIONS

SUBCONCEPTS

consumer information
labels
price
advertising
shopping list
comparison shopping
buying incentives
promotions
supply
demand
impulse purchase
warranty

INSTRUCTIONAL OBJECTIVES

- Lists sources of consumer information.
- Explains the relationship between the demand for goods and services and their price and supply in the marketplace.
- Utilizes factual consumer information when purchasing and using goods and services.
- Differentiates between informational and emotional advertising and sales promotions.
- Plans use of time, energy and money when shopping for goods and services.
- Evaluates purchases on the basis of personal needs, price, quality, safety and merchant reliability.

GENERALIZATIONS

- Sound buying decisions are based on personal needs, wants, values, goals and resources.
- Numerous purchasing decisions are made out of habit, requiring little or no conscious thought on the part of the purchaser.
- Collecting and studying information before buying contributes to the making of effective decisions.
- Selecting appropriate and reliable information is an important skill which can be developed.
- Product information may be available from trade associations, business, government, consumer magazines, newspapers and television.
- Planning purchases in advance and using a shopping list can contribute to effective buying.
- Planning can improve the use of limited resources.
- Comparison shopping is one way to find the best value.
- Attitudes toward sales people, merchandise and store services affect buying decisions.
- Buying incentives (coupons, prizes, etc.) offer both advantages and disadvantages.
- Consumers protect their own interests by dealing with reliable merchants and making buying decisions which meet their needs.
- The consumer is less likely to be influenced by deceptive sales practices when aware of the approaches used for promotion.
- Consumers, business and government benefit from communication and cooperation with one another.
- The availability and prices of goods and services are affected by numerous economic factors.

LEARNING EXPERIENCES

1. Develop shopping lists for groceries, Christmas gifts and school clothes.
   - What information should be included on each shopping list?
   - In what ways can you plan purchases before you shop?
   - How can preplanning and shopping lists help you shop more effectively?
   - What is "impulse buying"? How can a shopping list help you avoid impulse buying?
2. Find out what types of sales are held by the stores in your area and when they occur. Give pointers for shopping at sales.
   - What are the differences between clearance sales, stimulation sales, seasonal sales and traditional sales?
   - What store policies govern the return of sales merchandise?
   - Do price reductions affect guarantees or servicing?
   - What regulations protect consumers against unfair practices concerning sales merchandise (e.g., bait and switch, insufficient quantities)?
3. Shop in three stores for a specific item you wish to purchase, comparing quality, price and store services.
   - What is comparison shopping and how can it help you buy wisely?
   - Did you gather information about the product before starting to shop? What sources did you use (advertising, business and government publications, magazines, books, etc.)?
   - What information are you likely to find on labels, tags, seals and packages? How can this information help you select, use and care for the product you are "buying"?
   - Did the cost of the item differ with the type of stores (discount, department, specialty, etc.) in which you shopped?
   - Is price a reliable guide to quality?
4. Describe and bring in examples of *full* and *limited* warranties as specified by the Warranty-FTC Improvements Act (also known as the Magnuson-Moss Warranty Act).
   - What is the difference between a full and limited warranty?
   - Are manufacturers required to offer a warranty with their product? If a manufacturer or seller offers a product warranty, what requirements must be met?
   - When does the absence or presence of a warranty make the difference in your decision to purchase a product or not?

5. Explain quality standards and their value to consumers. Include a discussion of standard definitions, dimensions, specifications, performance requirements, safety requirements and test methods.

- What agencies set standards for bicycles, ground beef, aspirin, weights and measures, and home construction?
- What private organizations test products for performance and safety?
- How can you tell if a product meets the required standards?

6. Study and report on recent regulations on packaging and labeling. Discuss the costs and benefits of these regulations to consumers and businesses.

- What information are you likely to find on labels, tags, seals and packages?
- Considering the last five products you purchased, did the information on the label or package affect your decision to buy?
- What information is usually given in the instruction booklets for equipment and appliances? Is this information required?

7. List factors to consider when using the services of a plumber, baby sitter, doctor, lawyer, nursery school, appliance repairman, auto repair shop.

- What sources of information are available to aid in your decision making? How do they differ from those used in evaluating goods?
- How much time would you spend on the investigation? How would your investigation differ with the degree of risk or money involved?

8. Investigate and report on the advantages and disadvantages of buying from mail order houses, discount stores, specialty shops, department stores, chain stores, door-to-door salespersons.

- How do prices and quality differ in each category?
- What steps could you take if you had problems with a product purchased from these sources?
- How can you judge the reliability of a business firm before making your purchase?
- What laws are in effect to protect the consumer who purchases goods or services from a mail order house or door-to-door salesperson?

9. Bring ads to class which illustrate informational and emotional advertising.

- What is the purpose of advertising?
- If a product is not wanted or needed, will advertising make it sell?
- What information should be included in an ad? How should the information differ for different products and services?
- Is comparative advertising helpful? What are potential problems with such techniques?
- What rules and regulations govern the advertising industry? How does business attempt to regulate itself? What is the purpose of the National Advertising Division of the Council of Better Business Bureaus?

10. Interview an account executive in advertising to learn what goes into developing an ad. Develop an effective ad for a new product or service, or rewrite an ad you think is inadequate.

- What methods do advertisers use to attract attention to their product? Which did you use?
- What is brand image? How is it used?
- Are your product claims believable? What techniques did you use to make them so?
- Who is your primary audience? Where will your ad appear?

11. Use role playing to dramatize returning unsatisfactory merchandise... buying a $300 product from a door-to-door salesperson... engaging in bait-and-switch sales tactics.

- What local, state or provincial, and federal laws and regulations are in effect to protect consumers in each of the situations above?
- What comments, complaints or problems might a consumer discuss with a salesperson, a buyer, store manager, Better Business Bureau, Chamber of Commerce, Attorney General's office, Small Claims Court, Legal Aid Society, "Action Line" of a local newspaper, Consumer and Corporate Affairs?

12. Investigate, evaluate and report on sources of consumer information: advertising, business and government publications, magazines, books, television and newspapers. Incorporate the above sources in a classroom resource center.

- Was the information you gathered easily accessible?
- Is the information well-presented, easy to understand, accurate? Make suggestions for improvement.
- Do you utilize such information before making purchasing decisions?

13. Discuss ways to judge quality. Give five examples to show when it would be wise to buy top, medium or low quality.

- How do you decide what qualities of goods and services to buy for different purposes?
- Do you consider how an item will be used, how long it must last, and its important features before making quality decisions?
- How would the age and size of the individual, frequency of use and safety make a difference in your choice of quality?

14. Study and present a complete unit on one of the following: general shopping techniques... buying foods... planning a wardrobe... investing in a home... furnishing a house... buying household appliances... shopping for a car.

15. Explain how your relationships with salespeople and business firms affect buying decisions.

- How do you make your needs known to businesses and manufacturers?
- How do your buying decisions affect businesses and the economy in general and prices of goods and services in particular?
- How can you become a consumer that salespeople want to wait on? Develop a code of ethics for shoppers.

SUGGESTED RESOURCES

A Department Store in the Classroom. Sears, Roebuck and Co., 1979. For ordering information write Consumer Information Services, D/703, Sears, Roebuck and Co., Sears Tower, Chicago, Illinois 60684. $2.00. A guide to using general merchandise catalogs and other community resources for consumer education instructors.

How To Manage Your Money. American Bankers Association. Single copy free from many member banks. Available in English or Spanish. Tips on financial planning, food, housing, education, insurance, savings and investments, money management services, and what to do if you get into financial trouble.

Maynes, E. Scott. *Decision-Making for Consumers: An Introduction to Consumer Economics.* New York: Macmillan Publishing Co., Inc., 1976. $18.95. Discusses how consumers can make more effective purchasing decisions. Analyzes our economy from the consumers' viewpoint. Teacher resource.

Miller, Roger Leroy. *Economic Issues for Consumers.* St. Paul, Minnesota: West Publishing Company, 1981. $19.95. A student text which places consumer purchasing decisions in an economic framework. Issue oriented. Includes thought questions, student projects, selected readings and numerous case studies.

Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. Single copy, 50¢. Complete library of 12 booklets in slipcase, $5.00.

Your Automobile Dollar. Discusses buying, maintaining and operating a car.

Your Clothing Dollar. Gives wardrobe-planning, buying and care information.

Your Equipment Dollar. Offers suggestions for buying large and small appliances and equipment for the home.

Your Food Dollar. Explains how to plan and shop for food and includes buying guidelines for all types of food.

Your Home Furnishings Dollar. Discusses good design and offers guidelines for purchasing home furnishings and decorating materials.

Your Housing Dollar. Shows how to determine housing needs and meet housing costs whether you rent, buy or build.

Your Recreation Dollar. Suggests ways to plan recreation expenses for special activities, equipment and vacation travel.

Your Shopping Dollar. Explains how to plan spending, develop shopping skills and handle consumer problems effectively.

Porter, Sylvia. *Sylvia Porter's New Money Book for the 80's.* New York, New York: Avon Books, 1980. $9.95. A comprehensive reference on most personal financial matters. ●

CONCEPT 5

CONSUMER CREDIT

SUBCONCEPTS

sales credit
cash credit
credit rating
credit bureau
electronic funds transfer systems
principal
interest
collateral
cosigner
revolving charge account
character
capital
capacity
finance charge
annual percentage rate
bankruptcy
installment contract
wage assignment
garnishment
credit card

INSTRUCTIONAL OBJECTIVES

- Identifies the types and sources of consumer credit.
- Understands consumer rights under the Truth in Lending Act, the Fair Credit Reporting Act, the Fair Credit Billing Act and the Equal Credit Opportunity Act in the U.S.; the Bank Act, the Small Loans Act and provincial Consumer Protection Acts in Canada.
- Explains the provisions and obligations outlined in credit contracts and agreements.
- Analyzes his own credit worthiness based on character, capital and capacity.
- Plans the use of credit in light of present and future needs, wants and income.
- Evaluates the role of consumer credit in financial planning and its effect on the economy.

GENERALIZATIONS

- Consumer credit permits the use of future income to satisfy present needs and wants.
- Sales credit (open end), for buying goods and services, and cash credit (closed end) for borrowing money are the two basic types of consumer credit.
- Obtaining credit depends on the consumer's ability and willingness to repay, which is measured by the three Cs—character, capital and collateral.
- Credit is a service for which consumers pay.
- Credit can be used safely only when it involves amounts that can be comfortably repaid out of future income.
- Knowing the cost of credit contributes to using it intelligently.
- It is as important to shop for credit as it is to shop for other goods and services.
- Credit contracts set forth the legal rights and responsibilities of both creditors and debtors.
- The need for credit may vary at different stages in the family life cycle.
- Wisely used, credit can help consumers raise their level of living.
- Misuse of credit may lead to serious financial problems.
- When large numbers of consumers misuse credit, the financial consequences affect not only the debtors and creditors, but society and the economy as well.
- Managing credit dollars requires planning the use of credit within the framework of an overall personal or family financial program.
- Federal, state and provincial laws regulate most aspects of the consumer credit business.
- Consumer credit helps to create a balance between supply and demand in a mass-production economy.

LEARNING EXPERIENCES

1. Study and report on the advantages and disadvantages of using consumer credit.
   - What is consumer credit?
   - Why do individuals and families use consumer credit?
   - How can the advantage of using consumer credit for one person be a disadvantage for another?
2. Explain how the use of credit to purchase a durable good affects future income and future needs and wants.
   - How does the principle of opportunity cost apply to the use of credit?
   - Can the wise use of credit raise your level of living? Explain.
   - Can the use of credit be a form of savings?
3. Compare the economic aspects of saving in advance and paying cash for a specific item *vs.* buying by using credit and making installment payments.
   - What are the advantages and disadvantages of one method over the other? How might advantages outweigh disadvantages, and vice versa, depending on the item being purchased?
   - How does the amount of interest on savings and the interest charged for credit compare?
   - How does a passbook loan "combine" the two payment methods?
4. Investigate the different kinds of sales credit and cash credit.
   - What are their similarities and differences?
   - Where would you go to obtain each?
   - What purchases are typically made with each type?
5. Describe the types of sales credit—regular charge accounts, revolving charge accounts and installment accounts.
   - How do the payment plans and interest charges differ for the three?
   - Are there set credit limits for each?
   - What factors should be considered before opening a charge account? How would these differ for teenagers and adults?
   - What steps should be taken if credit cards are lost or stolen? What is your personal liability?
6. Explain how the following affect consumer credit costs: amount of credit used, length of repayment period, credit rating, collateral offered, government regulations.
   - Why must you pay for the use of credit?
   - How can you accurately compare credit costs from various sources?
   - How do provisions in the Truth in Lending Act in the U.S. and provincial Consumer Protection Acts in Canada help you in shopping for credit?

7. Develop a checklist of factors to consider when shopping for credit.

- What sources of credit are available?
- What is the annual percentage rate (APR)? How does it help you when shopping for credit?
- What information must be given to you before a contract is signed as required by law?

8. Develop a chart to show the similarities and differences in the services provided, the cost of credit, the security required, and the lending policies of these sources of cash credit: banks, consumer finance companies, credit unions, insurance companies, savings and loan associations or trust companies, and pawn shops.

- Why do interest rates vary among these sources?
- Who determines how much interest may be charged?
- What federal, state or provincial laws govern each source?

9. Obtain and fill out credit applications from various credit sources. Role play a teenager opening a charge account at a local clothing store...a family seeking a loan in a financial emergency...a couple arranging for a consolidation loan.

- Under what circumstances would you use credit...wait until you save the money required...do without?
- What are some questions a creditor may ask before granting credit?
- What steps can lenders and sellers take to discourage individuals and families from misusing credit?
- What are the consumer's responsibilities in using credit? What are the creditor's responsibilities in granting it?

10. Discuss the functions of your local credit bureau or credit reporting agency.

- What is a credit rating?
- How can you establish a good credit rating? How can you lose a good one?
- What types of information is a credit bureau likely to have on file about you?
- What are your rights and remedies under the Fair Credit Reporting Act?

11. Assign committees to study and discuss the following laws: the Fair Credit Reporting Act... the Fair Credit Billing Act... the Equal Credit Opportunity Act... the Fair Debt Collection Practices Act... Truth in Lending.

- What are the major provisions of each?
- How do they aid consumers?
- What responsibilities do consumers have in making the laws effective?

12. Report on the services of nonprofit community debt-counseling agencies.

- Where do you find such services? Are they free?
- Who can use these services? What is required of participants?
- What training do the counselors have?

13. Investigate and discuss the consequences of failing to meet credit obligations.

- What is credit delinquency? What are creditors' remedies for delinquency?
- What steps can debtors take to meet their obligations when they cannot make payments according to the terms of the contract?
- What happens when personal bankruptcy is declared?
- What is Chapter 13 (in the U.S.) or Arrangements (in Canada) and how do they differ from straight bankruptcy?

14. Study and discuss "If consumer credit were no longer available, how would it affect consumers, business, the economy and you personally?"

- How much consumer credit is outstanding today? How does this compare with 10/20/30 years ago? How do you account for the difference?
- What is the average dollar amount outstanding per household?
- How does the use of credit keep the economy moving?

15. Discuss: "We live in a credit society."

- How do consumer, home mortgage, business and government debts differ?
- How does consumer credit affect the demand for goods and services produced in our economy?
- How does government control the amount of credit available?
- How does government control of credit affect the stability and growth of the economy?
- Should government be concerned about the amount and cost of credit available to consumers? Why or why not?
- What effect does increased credit availability have on inflation?
- What is the prime interest rate? Who establishes the prime rate?

16. Discuss: "Electronic funds transfer systems will revolutionize the concept of money."

- What are electronic funds transfer systems (EFTS)?
- What are the advantages and disadvantages of EFTS to businesses and to consumers?
- What regulations govern EFT systems? What safeguards will protect consumers' privacy?

SUGGESTED RESOURCES

Associated Credit Bureaus, Inc., 16211 Park Ten Place, Houston, Texas 77218. Free.

What Is a Credit Bureau? Pamphlet describing the functions of credit bureaus, how they obtain information, regulations governing them, and how to obtain copies of personal records.

Consumers, Credit Bureaus and the Fair Credit Reporting Act. Pamphlet explaining consumer rights and remedies under this Act.

What Is a Debt Collector? Pamphlet explaining the collector's role in the economy, how ethical ones operate and what to do if harassed by an unethical one.

Bank Services and You. American Bankers Association. Single copy free from many member banks. Describes all basic bank services and how to use them.

The Canadian Bankers' Association, P.O. Box 282, Toronto Dominion Centre, Toronto, Ontario M5K 1K2. Free. Available in English or French.

Your Money and Credit Today and Tomorrow. A simply written guide to the proper use of money and credit.

Credit Union National Association, Inc., Box 431, Madison, Wisconsin 53701. Free.

Credit Unions: What They Are, How They Operate, How to Join, How to Start One. Pamphlet describing credit unions and their functions.

Federal Trade Commission, Washington, D.C. 20580, or from your regional office. Free.

The Fair Credit Billing Act. Pamphlet explaining rights and responsibilities under this Act in simple language.

Know Your Rights Under the Fair Credit Reporting Act: A Checklist for Consumers. What the Act does and does not do. Consumer rights and remedies under the Act.

How to Choose and Use Retail Credit. Consumer Information Services, D/703, Sears, Roebuck and Co., Sears Tower, Chicago, Illinois 60684. Evaluation copy free. Discusses the types of retail credit, billing statements, applying for credit, credit agreements and contracts, the cost of credit and credit legislation.

Managing Your Credit. Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. 50¢. Presents a comprehensive and objective guide to understanding consumer credit and managing credit dollars.

National Foundation for Consumer Credit, Federal Bar Building West, 1819 H Street, N.W., Washington, D.C. 20006.

Consumer Information Fact Sheet. Explains what Consumer Credit Counseling Services are and how they work. Free.

Consumer Credit; The Forms of Credit We Use; Establishing Good Credit; Measuring and Using Our Credit Capacity; and *The Emergency Problem: What to Do About It.* Single copies free. Pamphlets designed to help people understand what consumer credit is, what they should and should not expect of it in use, and how to handle it with skill and intelligence.

The Savings and Loan Association: An American Financial Institution. United States League of Savings Associations, 111 East Wacker Drive, Chicago, Illinois 60601. Free. Describes the purpose and organization of savings and loan associations, federal regulations governing them, types of savings accounts and the services provided.

What Truth In Lending Means to You. Board of Governors of the Federal Reserve System, Publication Services, Room MP510, Washington, D.C. 20551. Free. Discusses basic provisions under the law in simple language. ●

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CONCEPT 6

SAVINGS, INSURANCE AND INVESTMENTS

SUBCONCEPTS

risk
net worth
asset
liability
stocks
bonds
mutual funds
investment trusts
Canada Pension Plan
participatory policy
pension
annuity
interest
dividend
stock market
real estate
durable goods
securities
Social Security
nonparticipatory policy

INSTRUCTIONAL OBJECTIVES

- Identifies the types of insurance available and the areas of protection each provides.
- Estimates the degree of risk, rate of return, safety and liquidity for various savings and investment alternatives.
- Outlines a personal (or family) insurance program, based on present and future needs, income, financial responsibilities and assumable risks.
- Analyzes personal net worth.
- Develops a savings and investment program based on personal values, goals and current net worth.
- Evaluates savings, investment and insurance programs in light of changes in personal net worth, stage in the family life cycle and overall economic conditions.

GENERALIZATIONS

- Saving and investing are methods of setting aside current income for future use.
- Savings are generally used for major expected expenses, for unexpected emergencies and for goals.
- Safety, return and availability are important considerations in choosing a place to deposit savings.
- Insurance protection is based on the principle of *shared risk*.
- Different kinds of insurance protect against different types of risk.
- The greater potential for gain from investments, the greater the risk of loss.
- Investing also includes spending for education or training, for a home and for durable goods.
- Savings and insurance programs may be offered by employers, unions, churches, professional groups or the government.
- Government social insurance programs provide medical benefits and income to eligible citizens, usually those who are retired or disabled.
- Interest and dividends from various forms of savings, insurance and investments contribute to current income.
- A net worth statement is a personal or family financial record which can be used as a guide in planning for economic security.
- Financial security goals differ with different individuals and families and with different stages in the life cycle.
- Business expansion depends in part on funds provided by savings and investments of individuals and families.
- Individual and family plans for financial security affect and are affected by economic conditions.

LEARNING EXPERIENCES

1. Describe the purposes and advantages of savings.
   - Is savings a fixed expense in your financial plan?
   - How can savings help you reach your goals?
   - What are the different methods of saving?
   - What should be considered in deciding how much to save and where to deposit savings?
2. List possible savings goals for teenagers, single adults, newly married couples, growing families, and retired people.
   - How do goals change from one stage of the life cycle to another?
   - How might the methods of saving differ at each stage?
3. Investigate the different types of savings institutions in your area. Compare interest rates, withdrawal privileges, safety and special services offered.
   - How is interest computed at each location (quarterly, semiannually, day-of-deposit/day-of-withdrawal)? How often is interest compounded? What difference would it make?
   - Who regulates the amount of interest that may be paid on various kinds of savings accounts?
   - What are savings certificates or certificates of deposit (in Canada—guaranteed investment certificates)? Why do they earn higher interest rates than a regular savings account?
4. Explain the purpose of insurance in a long-range financial plan.
   - What is insurance? What risks does it cover?
   - How does insurance provide financial protection?
   - What is the difference between participatory and nonparticipatory policies?
5. Develop a chart to show the differences among term life insurance, straight life, endowment policies and annuity programs.
   - What protection does each provide?
   - What are the advantages and disadvantages of each? How do costs compare over the life of the policy?
   - How do individual and family goals affect the choice of one type over another?
6. Study and report on car insurance, homeowners' and tenants' insurance.
   - How does each protect the policyholder?
   - What is comprehensive insurance? Liability insurance?
   - How do comprehensive and liability insurance protect you in each policy?

7. Compare the costs and benefits of a personal health and accident insurance program.

- How does age, marital status and employment affect the cost of your plan?
- What is disability insurance?
- How do costs and benefits differ when insurance is purchased from an employer's group plan and a private insurance agency?

8. Develop criteria for choosing an insurance agent.

- What services does an insurance agent provide?
- What training is needed to become an agent? What do the letters "C.L.U." indicate?
- What licensing requirements must be met in your state or province?

9. Develop an insurance program for a young widower with children, ages five and seven... a new college graduate... a working couple buying a new home... a middle-aged couple with children away from home... a retired single.

- How are plans for financial security affected by age, health, marital status, occupation, size of income and assets and liabilities?
- What federal, state, provincial and local insurance programs are available? What do they cost? How are they financed? Who benefits from each plan and how?

10. Select groups to investigate and report on different types of investments and their features.

- What does *investing* mean?
- What should be considered before investing in stocks, government and corporate bonds, or real estate?
- What is the relationship of risk and return in investing?
- How would the following be ranked in order of risk and return in investment: savings accounts, bonds, stocks, real estate? Which ones are most likely to keep pace with the current rate of inflation?

11. Select one company listed on the stock exchange. Report on the business of the company, quality of management, past earnings, growth potential and yield.

- How do annual reports help you obtain this information?
- How do financial conditions and earnings indicate the quality of management?
- Would you invest in this company? Why or why not?

12. "Invest" $2000 in several companies listed on the stock exchange. Follow the stocks' progress, trading them for others if you wish. At the end of the term, sell the stocks, subtracting brokerage fees for all transactions.

- Did you have a net gain or net loss from your investment? What was your return on investment?
- Did the companies in which you invested declare any dividends? What is the difference between interest and dividends?
- What sources of information can aid investment decisions?
- What services do brokerage fees cover? How does investing through a brokerage firm differ from going through an investment club or investment company?
- How do investments contribute to economic growth?

13. Describe the purposes of investment companies.

- What are the differences between closed-end and open-end companies?
- How does going through an investment company differ from buying securities "over the counter"?
- How will a *prospectus* help in evaluating different investment companies?

14. Develop a personal net worth statement, one for a hypothetical family of four with an income of $24,000, *or* one for a case study you develop.

- How is net worth increased through investing in education, a home, durable goods, property, stocks, bonds and insurance?
- How might net worth change throughout the family life cycle?
- How do changes in the overall economy affect personal net worth?

15. Develop a simple savings, insurance and investment program for the family in activity 14, based on the net worth statement, their stage in the life cycle, current economic conditions and possible changes in the three.

- What are the objectives of your financial program? Would the program differ if your objective were to provide future income, rather than to protect current income?
- How do business and government programs—i.e., social security, Canada Pension Plan, unemployment compensation, group life, health and accident insurance, pension programs—provide a foundation for personal financial planning?
- What available resources can aid in the development of a personal economic program?

16. Discuss the ways family financial planning and security may be affected by changing family circumstances and/or economic conditions?

- How does inflation, recession and unemployment affect financial security?
- Can you plan for a changing economy?
- How do savings, insurance and investments each contribute to financial security?

SUGGESTED RESOURCES

American Council of Life Insurance, Education and Community Services, 1850 K Street, N.W., Washington, D.C. 20006. Free.

Plain Talk About Your Life Insurance Policy. Explains in simple language the special terms and legal formalities found in a life insurance contract.

Planning for Retirement. Putting financial resources together to reach retirement goals. Includes social security, pensions, life and health insurance, annuities, savings and investments.

Policies for Protection: How Life Insurance and Health Insurance Work. Student booklet which includes case studies, study questions, post-test, etc.

Bailard, Thomas E.; Biehl, David L; and Kaiser, Ronald W. *Personal Money Management.* Chicago: Science Research Associates, Inc., 1980. $17.95. Discusses financial planning, credit and housing, with major emphasis given to insurance investments, taxes and retirement planning. Teacher resource.

The Canadian Securities Institute, P.O. Box 225, Commerce Court South, Toronto, Ontario, M5L 1E8.

How To Read Financial Statements. $1.50. Explains how to read and interpret various financial statements.

Investment Terms & Definitions. $1.25. A guide to Canadian stocks and bonds plus an investment glossary.

How to Read a Financial Report. Merrill Lynch, Pierce, Fenner & Smith, Inc., 165 Broadway, One Liberty Plaza, New York, New York 10080. Free. Explains how to read and interpret financial statements.

Insurance Bureau of Canada, 181 University Avenue, Suite 1302, Toronto, Ontario M5H 3M7. Free.

Car Insurance Explained. Question and answer format explains car insurance under Canadian law.

Home Insurance Explained. Explains homeowners' insurance needs.

Insurance Information Institute, Educational and Consumer Relations, 110 William Street, New York, New York 10038. Single copies free.

A Family Guide to Auto and Home Insurance. Discusses insurance and costs for protecting your automobile and home, including mobile homes, condominiums and rental units.

Educator's Guide to Teaching Auto and Home Insurance. Provides basic information and includes instructional objectives, generalizations and learning experiences. Resource list included.

Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. Single copy, 50¢. Complete library of 12 booklets in slipcase, $5.00.

Your Automobile Dollar. Discusses buying, maintaining and operating a car. Extensive section on insuring your investment.

Your Housing Dollar. Shows how to determine housing needs and meet housing costs whether you rent, buy or build. Discussion of insurance included.

Your Savings and Investment Dollar. Shows how to set up a savings and investment program based on future needs and goals.

Registered Retirement Savings Plans. Revenue Canada, Taxation. Free from your District Taxation Office. Explains eligibility requirements and how to set up a RRSP.

You and the Investment World. The New York Stock Exchange, Inc., School and College Relations, 11 Wall Street, New York, New York 10005. Classroom quantities free for secondary schools. Supplementary text describes how stocks and bonds are bought and sold. Gives tips for future investors. Chapter quizzes and individual and group activities. ●

CONCEPT 7

CONSUMER RIGHTS AND RESPONSIBILITIES

SUBCONCEPTS

consumer protection
information
competition
self-regulation
shoplifting
consumer
quality
safety standards
consumer advocate
fraud
contracts
warranty

INSTRUCTIONAL OBJECTIVES

- Lists consumer's rights and responsibilities in the marketplace.
- Explains when and where to register consumer dissatisfaction.
- Demonstrates proper shopping etiquette toward salespeople, business concerns, merchandise and other shoppers.
- Analyzes the roles businesses, government and consumer groups play in protecting the consumer.
- Writes a well-organized, factual and business-like letter of complaint.
- Evaluates proposed consumer legislation in light of costs, potential benefits and other possible alternatives.

GENERALIZATIONS

Consumers have rights to:

- protection against the sale of products or services that endanger health or life.
- information needed to make sound buying choices.
- a choice of goods and services at competitive prices.
- assurances of satisfactory quality and service.
- protection against misrepresentation, dishonesty and fraud.
- open communication with business and government on matters of consumer interest.
- consumer education.

Consumers have responsibilities to:

- plan spending to meet and pay for important needs and wants.
- obtain and use the information available when buying products and services.
- read and follow manufacturers' recommendations on use and care to obtain the best service from their products.
- know and follow safety standards when buying and using products.
- identify and deal only with reliable business organizations.
- make needs and wants known to retailers, manufacturers, producers, legislators and government agencies.
- report unlawful or unfair practices to proper authorities or agencies.
- take advantage of learning experiences and opportunities offered by consumer education.

Consumers protect their rights and accept their responsibilities by:

- dealing fairly and honestly with other consumers and with business.
- knowing how consumers are served and protected by various government agencies, business organizations and private groups.
- supporting laws which promote consumer interests and economic growth.
- paying taxes and knowing how tax dollars are used.
- understanding how and why business and consumers depend on each other in achieving mutual goals.
- understanding the economy and their place in it.

LEARNING EXPERIENCES

1. Explain what is meant by consumers' rights to safety, to be informed, to choose, to be heard, to education.
   - What responsibilities go with these rights?
   - What problems may result from failure to understand these rights and to accept consumer responsibilities?
2. Explain ways consumers respect the rights of other consumers and of businesses.
   - What costs may be incurred when these rights are not respected?
   - What responsibilities are involved in exercising free choice in buying goods and services?
3. Describe the consumer's rights and responsibilities when mistreated in a business transaction. Give examples.
   - How can consumers protect their own interests?
   - How could business be more helpful to consumers? Give examples.
4. Draft a letter to a business firm to call attention to a product that failed to perform satisfactorily... to approve a policy or service ... to complain about an inconvenience or a product... to make suggestions for improving a service or product.
   - How can you make your consumer needs and wants known to the business community?
   - Who is the first party to contact when problems arise with a good or service?
   - What should be included in a letter of complaint to get the best results? To whom should it be directed?
   - What center of redress have business and government established to help resolve consumer complaints?
5. Role play the following situations: receiving too much change at a store... finding a flaw in a suit recently purchased... paying $65 for repairs on a TV set and finding it improperly repaired... receiving unordered merchandise in the mail... discovering that a product did not meet advertising claims ... seeing a friend shoplift a $7 item.
   - What would a responsible consumer do in the above situations? What would you do?
   - What responsibilities do you have toward other consumers? Toward merchants?
   - How does shoplifting increase the cost of goods for all consumers? According to the National Retail Merchants Association, what is the annual loss to business from shoplifting and damaged goods?
6. Discuss: "Dollars spent are the votes consumers cast for or against certain products or services, business organizations, economic policies."
   - How do consumer decisions affect business policies, the quality of goods and services, prices and laws?

- How does consumer behavior affect the economy?
- How can consumers influence the way tax dollars are spent?

7. Investigate and report on business organizations, private associations and government departments that serve consumers.

- What kind of information and/or protection do they provide?
- How can you evaluate the reliability of information and services provided?
- Who pays for these services? How?

8. Study and report on the role the following agencies have in protecting the consumer. In the U.S.: Federal Trade Commission, Food and Drug Administration, Interstate Commerce Commission, Securities and Exchange Commission, Consumer Product Safety Commission. In Canada: Consumer and Corporate Affairs, Agriculture Canada, Health Protection Branch of Health and Welfare Canada.

- Where do they derive their power?
- Is such protection needed? Why or why not?
- Who pays for this protection? Where is the trade-off between cost and the protection provided?
- Have the rules and regulations issued by these agencies "gone too far"? Not far enough? Give examples.

9. Investigate one recent or proposed piece of consumer legislation. Summarize the history of the problem which the bill is intended to correct.

- Should government intervene in this case?
- What are the major provisions of the legislation? Is it adequate, enforceable, fair, necessary, practical?
- What will it cost?
- If a similar law exists, is it being actively enforced?
- Who pays for government services such as consumer protection?
- What is "self-regulation" in regard to business organizations, as contrasted with government regulation?

10. Obtain income tax forms to study and fill out. Discuss regulations for filing income tax.

- What government services are paid for by income tax?
- What other types of taxes do we pay? What services are provided in return?

11. Assign groups to report on current economic issues related to prices, advertising, taxes, tariffs, unions and government regulations.

- Where can you go for up-to-date information on these topics?
- What groups are involved in debating each side of the issue? Are you represented by one of the groups?
- Can you effect change in any of these areas? How?

SUGGESTED RESOURCES

Better Business Bureau of Canada, Suite 3034, 2 Bloor Street East, Toronto, Ontario M4W 3J5. Single copies free when a self-addressed, stamped envelope (No. 10) is supplied. Quantity rates available.

What Is A BBB? Describes the function and operations of the BBB and lists Bureau offices.

Mediation: How It Works. Explains the mediation process for resolving consumer/business disputes. Lists local BBBs.

Consumer Tips on Bait and Switch. Describes this deceptive sales tactic and explains how to deal with it.

Refunds and Exchanges: or "I Want My Money Back." Explains buyer's and seller's rights once a sale has been made, and how to use return privileges.

Federal Trade Commission, Washington, D.C. 20580, or from your regional office. Free.

Door-To-Door Sales. Explains the three day cooling-off period rule for door-to-door sales.

Warranties: There Ought to Be a Law. Explains the basic provisions of the Magnuson-Moss Warranty Act and consumer rights and remedies under the Act.

Forum. J.C. Penney Company, Inc., Consumer Educational Services, 1301 Avenue of the Americas, New York, New York 10019. Back issues ordered from above address, $2.50 each.

Your Shopping Dollar. Money Management Institute, Household International, 2700 Sanders Road, Prospect Heights, Illinois 60070. 50¢. Explains how to plan spending, develop shopping skills and handle consumer problems effectively. ■

Selecting and Using Outside Resources

The outside resources you can use to strengthen the teaching of consumer economics are almost limitless. The problem is using those that are most appropriate for the age and ability level of your students. People and places in the community can provide a wealth of information and learning experiences. Educational materials—films, filmstrips, booklets, textbooks, posters, periodicals—are available from many business organizations, trade associations, educational institutions and government agencies. Your choice of outside resources will depend on the needs of each group and the quality of the resources. *A Guide For Evaluating Consumer Education Programs and Materials*, published by the American Home Economics Association (address on page 33), contains criteria for evaluating these materials. The questions below may also help you evaluate available resources and teaching aids. *Sources of Educational Materials* begin on page 33.

CRITERIA FOR THE SELECTION OF OUTSIDE RESOURCES

1. Can it be adapted to the needs, interests, ability, age level, socioeconomic background and locality of your learners?
2. Is the information accurate, honest and objective without exaggeration or omission of important facts?
3. Is it readily available, easy to use, priced according to its value?
4. Is it well-designed and illustrated, clear and easy to understand?
5. Is it timely, current and related to subject matter being studied?
6. Will it make the study of money management more realistic and interesting?
7. Is it based on research and consultation with known authorities in business, education, government?
8. Will it help learners think, understand, evaluate?
9. Will it introduce learners to sources of information which can be tapped in the future?
10. Can it be used to increase the learner's overall understanding of our economic system and his place in it?

COMMUNITY RESOURCES

People and places in your community can provide practical and realistic learning experiences in consumer education. You can use community resources in a variety of ways to enrich the teaching of personal and family finance. The accompanying chart suggests resource people and places, ways to use them and desired learnings and understandings.

RESOURCE PEOPLE AND PLACES	WAYS TO USE THEM	DESIRED LEARNINGS AND UNDERSTANDINGS
Parents • PTA • Single parent • Dual-career family	• Interviews • Group or panel discussions • Home experiences involving parents • Surveys	• Cost of having and raising children • Parents' views on teenage spending • Actual problems in family financial planning • Examples of family goals, needs, wants • Methods of managing family income • Interaction of family members in planning the use of income • Influence of advertising on children's spending
Older Students • Juniors and Seniors • Dropouts	• Interviews • Combined classes • Personal contacts • Questionnaires • Surveys	• Costs of being a senior • Planning to meet expenses after graduation • Preparation for jobs • Job opportunities
Recent Graduates • College students • Married graduates • Working graduates • Technical-vocational graduates	• Interviews • Group or panel discussions • Questionnaires • Surveys	• Financial adjustments after graduation • Planning to meet college expenses • Financial problems in early marriage • Financial aspects of earning a living
Single Adults • Career-oriented individuals • Divorced individuals • Separated individuals • Widowed individuals	• Interviews • Panel discussions • Guest speakers • Questionnaires • Surveys	• Financial planning for living alone • Long-term investment goals • Planning for retirement • Advantages/disadvantages
Older Persons • Retired couple • Widow or widower	• Interviews • Panel discussions • Guest speakers • Questionnaires • Surveys	• Financial planning for retirement • Government support • Changes in buying habits • Changes in lifestyle

RESOURCE PEOPLE AND PLACES	WAYS TO USE THEM	DESIRED LEARNINGS AND UNDERSTANDINGS
Businessmen and Businesswomen • Executives • Managers • Buyers • Salespeople for local grocery stores, department stores, specialty shops, other retail stores and manufacturing companies • Representatives from business organizations such as the Better Business Bureau or Chamber of Commerce	• Interviews • Guest speakers • Store visits • Shopping trips • Surveys	• How the retail business operates • Store policies and services • Retailer's viewpoint of customer • Shopping techniques • Contributions of retail stores to the community and to the economy • Functions of advertising • Factors involved in mass production, distribution, consumption • Role of profits
Bankers	• Interviews • Field trips • Guest speakers	• Bank services available to consumers • Function of banks in the community, in the economy • The Federal Reserve System • The Bank of Canada • How banks operate • Kinds of checking and savings accounts and how to use them • Bank credit cards • Electronic Funds Transfer Systems and other future trends
Creditors • Managers of credit department in retail stores or lending agencies • Credit bureaus • Credit unions • Credit counselors	• Interviews • Field trips • Guest speakers	• How credit is obtained • Function of consumer credit in the economy, in the community, in the family • Types of credit • Credit-reporting agencies • How to use consumer credit wisely • Avoiding credit problems • Debt counseling
Insurance Representatives	• Interviews • Guest speakers • Surveys	• Individual/family insurance plans • Types of insurance • Purpose of insurance • Individual/family needs for insurance • Insurance information sources • No-fault insurance
Stockbrokers and Investment Representatives	• Interviews • Guest speakers • Field trip to a brokerage firm or stock exchange	• The Stock Exchange • Investment programs • Services offered by stockbrokers • Types of investments • How investor's money is used • When to invest

RESOURCE PEOPLE AND PLACES	WAYS TO USE THEM	DESIRED LEARNINGS AND UNDERSTANDINGS
Educators and Counselors • Teachers • Club leaders • Librarians • Religious leaders • Welfare workers • Credit counselors	• Interviews • Discussion groups • Guest speakers • Combined or exchange classes	• Aspects of money management from related fields of study
Lawyers, Judges, Attorney General	• Interviews • Guest speakers • Field trips to Small Claims Court or Juvenile Court	• Laws that protect consumers • Legal services available to consumers and their cost • When and where to seek legal advice • Function of law in the economy
Community Support Groups • Chamber of Commerce • Better Business Bureau • Legal Aid Society • Crisis center • Family Services Association • Credit Counseling Service • Extension agent	• Interviews • Panel discussion • Guest speakers	• Realistic problems of individuals and families in handling money • Support offered by the group
Social or Government Agencies in the U.S. • Social Security Administration • Food and Drug Administration • Postal Service • Department of Agriculture • Internal Revenue Service • National Bureau of Standards • Federal Trade Commission • Consumer Product Safety Commission • Department of Labor **Social or Government Agencies in Canada** • Consumer and Corporate Affairs • Health and Welfare Canada • Agriculture Canada • Canadian Standards Association • Canadian Council on Social Development • Revenue Canada—Taxation • Labour Canada	• Guest speakers • Field trips	• Function of social and government agencies in helping families, serving the community, strengthening the economy • Type of assistance offered by each agency • Laws governing each agency

Once outside resources have been selected, the way they are used will determine their effectiveness. The following suggestions can help you obtain the greatest value from their use, whether they be printed materials, audio-visual aids, guest speakers or field trips.

Preplan

Advance planning is necessary to gain the maximum benefit from outside resources. Such preplanning requires that you:

- **schedule outside resources** to fit into your overall program at an appropriate time.
- **evaluate each resource** before presenting it.
- **make necessary arrangements** with those involved in special activities (guests, supervisors, parents or organizations).
- **set up the time, place and required equipment** for the presentation.
- **prepare students** through introductory information about the resource person, place or material ... preparatory assignments and discussion ... questions and answers concerning what is planned, what is to be learned, how it is to be presented, what resources are to be used, when and why the presentation has been planned.
- **discuss with guest speakers** what has been done to prepare the students, what the outside presentation should achieve and what activities will follow. This should enable resource persons to gear the presentation to specific audience needs and abilities.

Present

The effectiveness of outside resources is affected by the way they are presented. An adequate presentation involves:

- **introducing resources** (guest speakers, field trips, educational materials) in terms of their purpose and their relationship to materials being studied by the group.
- **explaining how and why** the resource is available, who provides a speaker, arranges the field trip, offers educational materials and why.
- **encouraging questions** by the group during and/or after the presentation.

Evaluate

An assessment of outside resources helps clarify what has been learned and provides a basis for choosing future resource materials and activities. Meaningful appraisal of resources can be a group project—including you and your students. It involves:

- **summarizing** what was learned.
- **reporting** reactions to the presentation.
- **testing** the group's understanding of the material being presented.
- **discussing** the presentation in terms of what was learned, how it could have been approved, whether it was worthwhile, whether it met the criteria for outside resources, whether it should be repeated in the future.

FIELD TRIPS

Field trips offer special learning experiences that audio-visuals and classroom speakers alone cannot duplicate. But taking the class to the source of information requires planning if the trip is to be of value. For the student to have a successful learning experience, the leader or teacher must organize field trips effectively and follow up with appropriate activities. In planning a field trip:

1. Ascertain the merits of a field trip.
   - Determine the need for a field trip and the kind of visitation most appropriate for the audience.
   - Find out from informal discussion the type of trip students would be most enthusiastic in taking.
   - Correlate the field trip as much as possible with specific subject areas.
2. Discuss the proposed trip with superiors, noting:
   - date and alternate dates for the trip,
   - length of trip and itinerary,
   - transportation arrangements,
   - expenses of trip,
   - parental permission slips and the utilization of adult chaperones, and
   - information on facilities at site to be visited, especially lunchroom and restroom facilities.
3. Provide information for parents, if not an adult group.
   - Prepare a notice supplying all pertinent information, including the purpose of the trip, location of site, date of trip, supervisory arrangements, lunch arrangements, etc.
   - Contact responsible adults to assist in supervision on the trip.
4. Arouse the interest of participants.
   - Discuss the purpose of the trip.
   - Discuss ground rules and behavior expected and advise what to do in an emergency.
   - Provide meaningful activities related to the theme of field trip prior to visitation.
   - Consider seating arrangements on the train, bus, or cars if driving.
5. Work closely with personnel handling the field trip.
   - Inform them of the size, age and background of the group.
   - Discuss the specific areas you would like to cover and what you hope to accomplish by the trip.
   - Obtain written confirmation of arrangements.
   - Be flexible in arrival and departure times and once these are established, adhere strictly to the schedule—i.e., **be on time.**
   - Consider the time demands and priorities of the concern you are visiting.
6. Plan follow-up activities.
   - Discuss the trip as soon as possible upon return.
   - Utilize any audio-visual materials that could serve as a review of the trip's objectives as well as supplement knowledge gained on the trip.
   - Have the participants write a thank-you letter to the authorities at the places visited.
   - Have participants write compositions, give oral or written reports, make drawings, or participate in research activities related to the field trip. ■

Sources of Educational Materials

Educational materials include periodicals, booklets, posters, charts, films, filmstrips and newsletters. They are available from private associations, business organizations and government departments. Schools, universities and government offices in your city, county, state or province may also be excellent sources of information. The following sources offer free or inexpensive materials that should prove helpful in teaching money management.

UNITED STATES

Associations and Educational Agencies

American Bankers Association
Public Relations Office
1120 Connecticut Avenue, N.W.
Washington, D.C. 20036

American Council on Consumer Interests
162 Stanley Hall
University of Missouri
Columbia, Missouri 65201

American Council of Life Insurance
Education and Community Services
1850 K Street, N.W.
Washington, D.C. 20006

American Home Economics Association
2010 Massachusetts Avenue, N.W.
Washington, D.C. 20036

American National Metric Council
1625 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Associated Credit Bureaus, Inc.
16211 Park Ten Place
Houston, Texas 77218

Chamber of Commerce of the United States
1615 H Street, N.W.
Washington, D.C. 20062

Council of Better Business Bureaus
Publication Department
1515 Wilson Boulevard, Suite 300
Arlington, Virginia 22209

Credit Union National Association, Inc.
P.O. Box 431
Madison, Wisconsin 53701

Insurance Information Institute
Educational and Consumer Relations
110 William Street
New York, New York 10038

International Consumer Credit Association
Department of Education
243 North Lindbergh Boulevard
St. Louis, Missouri 63141

Investment Company Institute
1775 K Street, N.W.
Washington, D.C. 20006

Joint Council on Economic Education
1212 Avenue of the Americas
New York, New York 10036

National Association of Secondary School Principals
1904 Association Drive
Reston, Virginia 22091

National Consumer Finance Association
Consumer Education
1000 Sixteenth Street, N.W.
Washington, D.C. 20036

National Foundation for Consumer Credit
Federal Bar Building West
1819 H Street, N.W.
Washington, D.C. 20006

National Schools Committee for Economic Education, Inc.
143 Sound Beach Avenue, Box 326
Old Greenwich, Connecticut 06870

United States League of Savings Associations
111 East Wacker Drive
Chicago, Illinois 60601

Private Businesses

Changing Times Education Service
Division of EMC Publishing
180 East Sixth Street
St. Paul, Minnesota 55104

Dow Jones & Company, Inc.
Educational Service Bureau
P.O. Box 300
Princeton, New Jersey 08540

Household International
Money Management Institute
2700 Sanders Road
Prospect Heights, Illinois 60070

Merrill Lynch, Pierce, Fenner & Smith, Inc.
165 Broadway, One Liberty Plaza
New York, New York 10080

New York Stock Exchange
School and College Relations
11 Wall Street
New York, New York 10005

J.C. Penney Company, Inc.
Consumer Educational Services
1301 Avenue of the Americas
New York, New York 10019

Procter & Gamble Company
Educational Services
P.O. Box 14009
Cincinnati, Ohio 45214

Sears, Roebuck and Co.
Consumer Information Services
Dept. 703, Public Relations
Sears Tower
Chicago, Illinois 60684

Government Agencies

Board of Governors of the Federal Reserve System
Office of Public Information
Washington, D.C. 20551

Bureau of Labor Statistics
Inquiries and Correspondence, Room 1539
441 G Street, N.W.
Washington, D.C. 20212

Consumer Nutrition Center
Agricultural Research Service
U.S. Department of Agriculture
Hyattsville, Maryland 20782

Consumer Product Safety Commission
Coordinator for Information and Education
Office of the Executive Director
5401 Westbard Avenue
Washington, D.C. 20207

Department of Commerce
National Bureau of Standards
Public Information Division
Washington, D.C. 20234

Department of Consumer Frauds
Attorney General's Office in
your county or state capitol

Department of Health and Human Services
Public Health Service
Food & Drug Administration
Office of Public Affairs
5600 Fishers Lane
Rockville, Maryland 20857

Extension Service
U.S. Department of Agriculture
Washington, D.C. 20250

Federal Trade Commission
Washington, D.C. 20580

Internal Revenue Service
U.S. Department of the Treasury
1111 Constitution Avenue, N.W.
Washington, D.C. 20224

Social Security Administration
6401 Security Boulevard
Baltimore, Maryland 21235
(Contact your local office.)

Superintendent of Documents
U.S. Government Printing Office
Washington, D.C. 20402

U.S. Office of Consumer Affairs
621 Reporters Building
Washington, D.C. 20201

U.S. Postal Service
Contact your local Postmaster
or Postal Inspector

CANADA

Associations and Educational Agencies

Association of Canadian Financial Corporations
21 St. Clair Avenue East, Suite 1001
Toronto, Ontario M4T 1L9

Better Business Bureau of Canada
Suite 3034, 2 Bloor Street East
Toronto, Ontario M4W 3J5

Canadian Bankers' Association
P.O. Box 282
Toronto Dominion Centre
Toronto, Ontario M5K 1K2

The Canadian Chamber of Commerce
Organization Services Department
Commerce House
1080 Beaver Hall Hill
Montreal, Quebec H2Z 1T2

Canadian Foundation for Economic Education
252 Bloor Street West, Fifth Floor
Toronto, Ontario M5S 1V5

Canadian Life Insurance and Health Association
Educational Division
55 University Avenue, 14th Floor
Toronto, Ontario M5J 2K7

The Canadian Securities Institute
P.O. Box 225
Commerce Court South
Toronto, Ontario M5L 1E8

Canadian Standards Association
178 Rexdale Boulevard
Rexdale, Ontario M9W 1R3

Consumers' Association of Canada
200 First Avenue
Ottawa, Ontario K1S 5J3

Insurance Bureau of Canada
181 University Avenue, Suite 1302
Toronto, Ontario M5H 3M7

Investment Dealers Association of Canada
Commerce Court South
P.O. Box 217
Toronto, Ontario M5L 1E8

National Association of Canadian Credit Unions
Box 800, Station U
Toronto, Ontario M8Z 5R2

Private Businesses

Household Finance Corporation of Canada
Money Management Institute
85 Bloor Street East
Toronto, Ontario M4W 1B4

The Royal Bank of Canada
Consumer Banking Department
Royal Bank Plaza
South Tower, 6th Floor
Toronto, Ontario M5J 2J5

T. Eaton Co. Limited
Consumer and Corporate Affairs
1 Dundas Street West, 19th Floor
Toronto, Ontario M5B 1C8

Government Agencies

Consumer Services Branch
Consumer and Corporate Affairs Canada
Place du Portage
50 Victoria Street, 17th Floor
Hull, Quebec K1A 0C9

Educational Services Division
Health Protection Branch
Health and Welfare Canada
Ottawa, Ontario K1A 1B7

Information Branch
Ontario Ministry of Agriculture and Food
Parliament Buildings
Toronto, Ontario M7A 1A5

Information Directorate
Department of National Health and Welfare
Ottawa, Ontario K1A 0K9

Information Services
Agriculture Canada
Ottawa, Ontario K1A 0C7 ■

General References

Following are general references available on money management. Many of the periodicals and newsletters are available at little or no charge; for others, regular subscription rates prevail. Most of the student and teacher references are textbooks. They offer background information on many phases of money management.

PERIODICALS AND NEWSLETTERS

ACCI Newsletter
162 Stanley Hall
University of Missouri
Columbia, Missouri 65211

Advertising Age
740 Rush Street
Chicago, Illinois 60611

Canadian Consumer
Consumers' Association of Canada
200 First Avenue
Ottawa, Ontario K1S 5J3

Changing Times
1729 H Street, N.W.
Washington, D.C. 20006

Consumer Education Forum
American Council on Consumer Interests
162 Stanley Hall
University of Missouri
Columbia, Missouri 65201

Consumer Information
Consumer Information Center
Pueblo, Colorado 81009

Consumer Reports
Consumers Union of United States, Inc.
Educational Division
256 Washington Street
Mount Vernon, New York 10550

Consumers' Research Magazine
Washington, New Jersey 07882

Consumers' Right To Know
Consumer Communications Manager
Kraft, Inc.
Kraft Court
Glenview, Illinois 60025

Consumer Views
Citibank, N.A.
Public Affairs Department
399 Park Avenue
New York, New York 10043

Current Consumer
Curriculum Innovations, Inc.
3500 Western Avenue
Highland Park, Illinois 60035

Everybody's Money
Credit Union National Association, Inc.
P.O. Box 431
Madison, Wisconsin 53701

Financial Talk
Harris Bank
P.O. Box 755
Chicago, Illinois 60690

Forecast for Home Economics
902 Sylvan Avenue
Englewood Cliffs, New Jersey 07632

The Illinois Teacher
Division of Home Economics Education
351 Education Building
University of Illinois
Urbana, Illinois 61801

Journal of Home Economics
American Home Economics Association
2010 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Money Magazine
Time & Life Building
541 North Fairbanks Court
Chicago, Illinois 60611

MMI Memo
Household International
Money Management Insittute
2700 Sanders Road
Prospect Heights, Illinois 60070

Teaching Topics
American Council of Life Insurance
Education and Community Services
1850 K Street, N.W.
Washington, D.C. 20006

Tips and Topics
College of Home Economics
P.O. Box 4170
Texas Tech University
Lubbock, Texas 79409

Wall Street Journal
22 Cortlandt Street
New York, New York 10007

STUDENT REFERENCES

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RUTH BERRY, *Associate Professor, Department of Family Studies, University of Manitoba,* Winnipeg, Manitoba.

KAY P. EDWARDS, *Professor and Department Chairperson, Department of Family Sciences, College of Family, Home and Social Sciences, Brigham Young University,* Provo, Utah.

E. CARL HALL, *Professor and Head, Department of Housing, Design and Consumer Resources, College of Home Economics, Oklahoma State University,* Stillwater, Oklahoma.

RUTH D. HARRIS, *Extension Leader, Special Programs, Virginia Polytechnic Institute and State University,* Blacksburg, Virginia.

MARJORIE M. KNOLL, *Former Professor, Family Economics and Management, College of Human Development, The Pennsylvania State University,* University Park, Pennsylvania.

BERNEICE MACFARLANE, *Former Education Consultant in Home Economics,* Edmonton, Alberta.

JULIE NICHOLS, *Consumer Management Instructor, Cooperative Work Training Program, Winnebago High School,* Winnebago, Illinois.

BEATRICE PAOLUCCI, *Professor, Department of Family and Child Ecology, College of Human Ecology, Michigan State University,* East Lansing, Michigan.

AUDREY KOEHLER PETERSON, *Associate Professor, Department of Home Economics, University of Montana,* Missoula, Montana.

HELEN C. POTTER, *Former Professor, Department of Home Management and Family Economics, School of Consumer and Family Sciences, Purdue University,* West Lafayette, Indiana.

JUNE SEARS, *Extension Home Economist, Cooperative Extension Service—Wayne County,* Wayne, Michigan.

HAZEL TAYLOR SPITZE, *Professor, Home Economics Education, College of Education, University of Illinois,* Urbana, Illinois.

KAL WALLER, *Former President and General Manager, Consumer Credit Counseling Service of Northeastern Ohio,* Cleveland, Ohio. ■

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